THE SUPREME COURT OF THE STATE OF ARIZONA

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In Banc

FARMERS INVESTMENT COMPANY,

Appellant,

ANDREW L. BETTWY, as State Land Commissioner, and the STATE LAND DEPARTMENT, a Department of the State of Arizona, and PIMA MINING COMPANY, a corporation,

Appellees.

FARMERS INVESTMENT COMPANY, a corporation,

Appellant,

٧.

THE ANACONDA COMPANY, a corporation; AMAX COPPER MINES, INC., THE ANACONDA COMPANY as partners in and constituting ANAMAX MINING COMPANY, a partnership,

Appellees.

CITY OF TUCSON, a municipal corporation,

Appellant,

V.

ANAMAX MINING COMPANY, and DUVAL CORPORATION and DUVAL SIERPITA CORPORATION,

Appellees.

Appellees, The Anaconda Company and Amax Copper Mines,

Inc., as partners in Anamax Mining Company, Anamax Mining Company, Duval Corporation, Duval Sierrita Corporation and

Cyprus Pima Mining Company, and appellant City of Tucson move

30 the Court to strike the document entitled "A Proposal by FICO",

for the reasons that the document

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110V - 51976

CLIFFORD H. WARD CLERK SUPREME COURT

No. 11439-2

BY

JOINT MOTION TO STRIKE FICO's "PROPOSAL", AND MEMORANDUM

- 1. Is not a pleading permitted by the rules or addressed to the proper exercise of the appellate jurisdiction of this Court;
- 2. Purports to be an offer in compromise, which should not in propriety be addressed to the Court;

3. Invites, by innuendo, inaccurate assumptions by the Court concerning (i) appellees' and the City's long and vigorous efforts to augment and conserve the water supply in the Upper Santa Cruz Valley, and (ii) the efforts of the appellees to dispose of the litigation by concord.

MEMORANDUM

FICO's "Proposal" should be struck from the record in this case because, characterized as a pleading, it is not addressed to the proper exercise of the appellate jurisdiction of this Court. Taken as an offer in compromise and settlement, it cannot in propriety be addressed to the Court.

In this case the Supreme Court's original jurisdiction has not been invoked. It cannot be invoked, FICO having commenced its action for injunction and damages in the Superior Court. This case is presently before the Court on appeal.

There are now pending Motions for Rehearing and Memoranda filed by the respective parties and briefed by numerous amici curiae.

This Court must grant or deny rehearing, with ultimate return of the cause to the trial court for such hearings and orders as shall flow from this Court's disposition. The proper function of the trial court is to fully hear and determine the numerous and complex historic, hydrologic and economic facts which bear upon the numerous questions at issue below. That is not the function of this Court as an appellate tribunal.

The so-called "Proposal" is another effort by FICO to avoid a determination of the legal issues. There has never been a trial. FICO has consistently attempted to short cut evidential

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hearings in order to have the case decided in a factual void.

Appellees and the City cannot, in propriety, even on this Motion, address the merits of the Proposal which is on its face an offer in compromise. Settlement discussions, if offered in evidence, would be deemed inadmissible in any forum. Surely then, a self-serving settlement offer, unilaterally presented to the Court, is inappropriate. Such a filing is, at the very least, an imposition upon the Court. Hence, no response will be made to the specific points of the "offer", since to do so would involve the Court in private matters between parties whose disputes this Court is called upon to decide. Suffice it to say that economic accords have been attempted; that the City and mining company appellees have long been and now are engaged in efforts to utilize sewage effluent; and that the City and the mining company appellees have heretofore made formal written requests for CAP water delivery contracts.

It can only be assumed that FICO's Proposal was made for the purpose of diverting the Court from its duty to decide the matters pending in this case. The refusal to challenge purported facts asserted by FICO or to rebut inferences that may be drawn from them is not to be taken as an accession to any such fact or inference. This refusal is no more than a recognition of the impropriety of engaging those issues before this Court.

Even if FICO's Proposal were a <u>bona fide</u> offer in compromise, it is improperly directed to this appellate Court which must decide the ultimate issues. By innuendo, the Proposal invites the Court to make inaccurate and highly prejudicial assumptions in irreconcilable conflict with the real facts. The Court should reject this invitation.

Appellees and the City respectfully move that the Proposal be struck, and request the Court, in view of the magnitude of the problems before it, to proceed with the exercise of

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its appellate jurisdiction and rule on the several Motions for Rehearing with all deliberate haste, maintaining its proper and historic posture as the State's highest appellate Court. DATED this 5th day of November, 1976. Respectfully submitted, 10 CHANDLER, TULLAR, UDALL & RICHMOND 11 12 13 Thomas Chandler 1110 Transamerica Building 14 Tucson, Arizona 85701 Attorneys for Anaconda, Amax 15 and Anamax 16 17 Jamo's D. Wobb, City Attorney 18 Steven B. Weatherspoon, Assistant City Attorney 19 P.O. Box 27210 Tucson, Arizona 85726 20 Attorneys for City of Tucson 21 22 FENNEMORE, CRAIG, von AMMON & UDALL 23 24 Calvin H. Udall 25 James W. Johnson 100 West Washington, Suite 1700 26 Phoenix, Arizona 85003 Attorneys for Duval Corporation 27 and Duval Sierrita Corporation 28 29 30 31

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VERITY, SMITH, LACY, ALLEN & KEARNS, P.C. and

MUSICK, PEELER & GARRETT

Gerald G. Kelly
One Wilstire Boulevard, Suite 2000 Los Angeles, California 90017 Attorneys for Cyprus Pima Mining

Company

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STATE OF ARIZONA
                           SS.
    County of Maricopa
              CALVIN H. UDALL, being first duly sworn says:
              Affiant mailed two copies of the foregoing Appellees'
    Joint Motion to Strike FICO's 'Proposal' and Memorandum to:
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                 Attorneys for Farmer Investment Company
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Elmer C. Coker, Esq. Luhrs-Central Building, Suite J 132 South Central Avenue Phoenix, Arizona 85004 Attorney for W. W. Jarvis, et al. Chester R. Lockwood, Jr. City Attorney for the City of Prescott 125 East Gurley Street Prescott, Arizona 86301 Attorney for the City of Prescott properly addressed and postage prepaid, on November 5, 1976. 10 Calvin H. Udall 11 SUBSCRIBED AND SWORN TO before me this 5th day of 12 November, 1976. 13 Motary Public 14 15 My commission expires: 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 31 32

STATE OF AF	RIZONA)) ss: MARICOPA)	
I	Antonio Bucci Name	hereby certify:
That I am	Reference Librarian, Law & Research Library Division Title/Division	of the Arizona State
Library, Archi	ves and Public Records of the State of Arizona;	
That there is on	n file in said Agency the following:	
Arizona Supr	eme Court, Civil Cases on microfilm, Film #36.1.764, Case #114	39-2, Joint Motion to
Strike FICO'	s "Proposal", and Memorandum, pages 699-705 (7 pages)	
The reproduction file.	on(s) to which this affidavit is attached is/are a true and correct copy	
	Antonio 13- Signature	
Subscribed and	d sworn to before me this 12/15/05 Date	
	Ha Melles Motary P	ublic
My commissio	on expires $04/13/2009$. Date	

Notary Public State of Arizona
Maricopa County
Etta Louise Muir
My Commission Expires
04/13/2009